

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1573-02  
Bill No.: HB 823  
Subject: Rural Water Supply Districts  
Type: Original  
Date: March 28, 2001

---

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 3 pages.

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Economic Development - Office of Public Counsel** assume the proposed legislation would have no fiscal impact on their agency.

Officials from the **Department of Economic Development - Public Service Commission** (PSC) assume the passage of this bill would require the Commission to "grant a preference" to rural water supply districts purchasing water from (or selling water to) any water corporation regulated by the Commission pursuant to Chapters 386 and 393. Passage of the bill would further require the Commission to "...enforce any policy dealing with the development of rural water supply districts..." However, none of the provisions of the bill would require any additional resources for the Commission from a fiscal impact viewpoint.

Officials from the **Department of Natural Resources** assume the proposed legislation does not change the department's authority. Therefore, the department will not be impacted by this proposal.

Officials from the **Office of Secretary of State** assume this bill grants preferences in certain instances to rural water supply districts. The Public Service Commission will promulgate rules to implement this bill. Based on experience with other divisions, the rules, regulations and forms issued by the Public Service Commission could require as many as 6 pages in the *Code of State Regulations*. For any given rule, roughly half again as many pages are published in the *Missouri Register* as in the *Code* because cost statements, fiscal notes and the like are not repeated in *Code*. These costs are estimated. The estimated cost of a page in the *Missouri Register* is \$23.00. The estimated cost of a page in the *Code of State Regulations* is \$27.00. Therefore, the estimated costs for FY 02 are \$369. The actual cost could be more or less than the numbers given. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded or withdrawn.

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

FISCAL IMPACT - State Government

FY 2002  
(10 Mo.)

FY 2003

FY 2004

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.) \$0	FY 2003 \$0	FY 2004 \$0
<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.) \$0	FY 2003 \$0	FY 2004 \$0

FISCAL IMPACT - Small Business

Small PSC-regulated water utility companies could be affected by the provisions of this proposal.

DESCRIPTION

This bill requires the Public Service Commission to grant preference to rural water districts in any transaction regarding the purchase or selling of water to any water corporation regulated by the commission. The Clean Water Commission, Safe Drinking Water Commission, Public Service Commission, and any other commission or agency are required to enforce policies dealing with the development and maintenance of water supply in a manner which favors the development of rural water supply districts.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Economic Development - Office of Public Counsel  
Department of Economic Development - Public Service Commission  
Department of Natural Resources  
Office of Secretary of State



Jeanne Jarrett, CPA  
Director

March 28, 2001